GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:542
ANSWERED ON:25.11.2005
VALUE OF INDIAN RUPEE
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Will the Minister of FINANCE be pleased to state:

(a) whether the value of Indian rupee has been declining continuously against American Dollar and Euro;

(b) if so, the details thereof during each of the last six months;

(c) the reasons therefor; and

(d) the fiscal measures to be taken for toning up the value of Indian rupee?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a), (b), (c) & (d): No Sir. The value of the Indian rupee has not been declining continuously against American Dollar and Euro. The exchange rate of the rupee against these two currencies shows a mixed trend during the first seven months of the current financial year (i.e. April-October 2005-06). The movements in the value of the rupee vis-a-vis other currencies is determined by the forces of demand and supply in the domestic foreign exchange market. No fiscal measure in relation to the exchange rate of the rupee is presently under consideration.